

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

ETS Payphones, Inc.

Plaintiff.

V.

Inter-World Communications, Inc.,
Corpserve, S.A. de C.V., World Center
of Video Conferences, S.A. de C.V.,
Dean Hollis Velazco, and John Remke.

Defendants.

CIVIL ACTION No. 04-389-KAJ

**MOTION OF ETS PAYPHONES, INC. TO TERMINATE STAY
AND REQUEST FOR STATUS AND SCHEDULING CONFERENCE**

ETS Payphones, Inc., as successor to PSA, Inc. (the “Plaintiff”), hereby moves (the “Motion”) this Court to (i) terminate the stay of the above-captioned case (the “Litigation”) established pursuant to the Order Approving Stipulation And Order Staying Case, dated February 1, 2006 [D.I. 60] (the “Stay Order,” annexed hereto as **Exhibit 1**) and (ii) establish a status and scheduling conference date with respect to the further prosecution of the Litigation. In support of the Motion, the Plaintiff respectfully submits that:

1. This Litigation, commenced on or about September 10, 2002, is an action against Inter-World Communications, Inc., Corpserve, S.A. de C.V., World Center of Video Conferences, S.A. de C.V., Dean Hollis Velazco, and John Remke (collectively, the “Defendants”) for turnover of property of the estates, fraudulent conveyance, breach of contract, and conversion of assets of the estates. Plaintiff demands an accounting and monetary damages in an amount no less than \$9 million.

2. The parties previously reported to the Court that, after mediation before Magistrate Thyng on or about September 22, 2005, this matter had been settled in principle and that the parties were in the process of working on the settlement papers. To facilitate the documentation of the settlement in principle, the parties entered into a consensual stipulation (the "Stipulation," annexed as Exhibit A to the Stay Order) and requested that this court stay the Litigation in its entirety, subject to further order of this Court. See Stipulation, Para. 1. The Stipulation further provided that the stay is without prejudice to the rights of the parties to "(i) move the Court to terminate the stay at anytime; or (ii) fully prosecute the [Litigation] in the event the stay is terminated." Stipulation, Para. 2.

3. Despite efforts of the Plaintiff to obtain a signed agreement, the parties have reached an impasse in their attempt to document the settlement in principle. Accordingly, staying the Litigation can serve no further legitimate purpose. The Plaintiff submits that the stay should be terminated to allow the Litigation to be fully prosecuted.

4. To foster the most efficient and expeditious prosecution of the Litigation, the Plaintiff further requests that the Court establish a status and scheduling conference with regard to the Litigation at its earliest convenience. The Plaintiff will contact the Defendants in an effort to draft a consensual form of scheduling order to present to the Court at the time of the scheduling conference. The Defendants have indicated that they are no longer interested in settling the case on the terms agreed to in principle at mediation.

5. The Plaintiff waives its right to file an initial brief in support of the Motion, but reserves its right to reply to any response filed by the Defendants and to file a brief in support of such reply.

6. Pursuant to D. Del. LR 7.1.1, ETS has made reasonable efforts to reach agreement with the Defendants' counsel on the matters set forth in the Motion, but as of the time of the filing of this Motion the parties have been unable to reach an amicable resolution with respect to the relief sought herein.

WHEREFORE, the Plaintiff respectfully requests that the Court enter an order, substantially in the form attached hereto (a) terminating the stay of the Litigation, and (b) establishing a status and scheduling conference date with respect to the further prosecution of the Litigation.

Dated: May 11, 2006
Wilmington, Delaware

Respectfully submitted,

Jonathan W. Jordan
King & Spalding LLP
191 Peachtree Street
Atlanta, Georgia 30303
Telephone: (404) 572-4600
Facsimile: (404) 572-5149

-AND-

/s/ Sean M. Beach
Sean M. Beach (Bar No. 4070)
Young Conaway Stargatt & Taylor, LLP
The Brandywine Building
1000 N. West Street
Wilmington, Delaware 19801
Telephone: (302) 571-6600
Facsimile: (302) 571-1253

Counsel to the Plaintiff, ETS Payphones, Inc.